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XTO REV PROD 88 (7-69) PAID UP (04/17/07)&

### OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this 2 day of 0C 2009, between 352 And 36 C 2009 between 452 And 36 C 2009 b

1. Lessor, in consideration of ten dollars and other valuable consideration, receipt of which is hereby acknowledged, and of the covenants and agreements of Lessee hereinafter contained, does hereby grant, lease and let unto Lessee the land covered hereby for the purposes and with the exclusive right of exploring, drilling, mining and operating for, producing and owning oil, gas, sulphur and all other minerals (whether or not similar to those mentioned), together with the right to make surveys on said land, iay pelines, establish and utilize facilities for surface or subsurface disposal of sail water, construct roads and bridges, sig cariets, build tanks, power stations, talephone lines, employee houses and other structures on said land, recessary or useful in Lessee's operations in exploring, drilling for, producing, treating, storing and transporting minerals produced from the land covered hereby or any other land adjacent thereto. The land covered hereby, herein called "said land," is located in the County of <u>Tarrant</u>, State of Taxas, and is described as follows:

#### See Attached Exhibit "A" for Legal Description

This lease also covers and includes, in addition to that above described, all land, if any, contiguous or adjacent to or adjoining the land above described and (a) owned or claimed by Lessor by fimitation, prescription, possession, reversion, after acquired title or unrecorded instrument or (b) as to which Lessor has a preference right of acquisition. Lessor agrees to execute any applicamental instrument requested by Lessoe for a more complete or accurate description of said tend. For the purpose of determining the amount of any bornus or other payment hereunder, said and shall be deemed to contain \$\begin{align\*} \frac{1}{2} \frac{1}

Unless sconer terminated or longer kept in force under other provisions hereof, this lease shall remain in force for a term of <u>Three</u> years
from the date hereof, hereinafter called "primary term," and as long thereafter as operations, as hereinafter defined, are conducted upon said land
with no cessation for more than ninety (90) consecutive days.

with no cessation for more than ninety (90) consecutive days.

3. As royalty, Lessee covenants and agrees: (a) To deliver to the credit of Lessor, in the objet line to which Lessee may connect its wells, the agual 25% part of all oil produced and saved by Lessee from said land, or from time to time, at the option of Lessee, to pay Lessor the average posted market price of such 25% part of such oil at the wells as of the day it is run to the pice or storage tanks. Lessor's interest, in either case, to been of the cost of treating oil to reader it merketable pipe line of: (b) To pay Lessor on gas and casinghead gas produced from said land (1) when soid by Lessee, of the amount realized by Lessee, computed at the mouth of the well or 1/2 when used by Lessee off said land or in the manufacture of gasoline or other products, the market value, at the mouth of the well of 25% of such gas and casinghead gas; (c) To pay Lessor on all other minerals mined and marketed or utilized by Lessee from said land, or extent the kind or value at the well or mine at Lessee's election, or interest the or subject in mineral and marketed the royalty shall be one clother; (1) per long ton. If all the expendition of the primary term or at any time or times therealler, there is any well on said land or on lands with which said land or any portion thereof has been pooled, capable of producing oil or gas, and all such vivels are shuffly in leases shall, nevertheless, continue in force as though operations were being conducted on said land for so long as naid wells are shuffly in leases shall nevertheless, continue in force as though operations were being conducted on said land for so long as naid wells are shuffly in leases the continued in force as though operations were being conducted on said land from said wells are shuffly in the exercise of such diagence. Lessee shall not be objected to install or furnish lacities other than well feedback and ordinary leader facilities of the will be part of the primary term, all such or force as the

payment. Nothing hereas shall impair Lessee's right to release as provided in paragraph 5 hereof. In the event of assignment of this lesse an whole or in part, lability for payment hereunder shall read exclusively on the their owner or owners of this lesse, severally as to acreage ownered by part and provided the register of the payment of the lessee is hereby granted the right, all is colorious, to pool or united any fand covered by this lease, with any other land; lessee, or leases, as to any or all minerals or herizons, so as to establish units containing not more than 60 surface acres plus 10% acreage tolerance, if it finited to one or more of the following:

1) gas, other than casinghead gas, (2) legical hydrocarbons (contentions any one or more bridge) that the established as gas wells by the conservation agency having jurisdiction. If larger units than any of those herein permitted, either at the established, or after enlargement, are permitted or required under any governmental ride or order, for the diffining or operation of a well at a regular location, or for obtaining maximum allowable from any well to be direct, diffining or already thrilled, any such unit may be established or any executing an instrument identifying such unit and filing it for record in the public office in which this lesses is recorded. Such unit shall become effective on the date guich instrument or instrument established or may be extended to a such desired or any and become effective on the date guich instrument or instruments are so filed of record cach of said options may be reversed by Lessee at any or on the public office in which this lesses is recorded. Such units shall be come of the date provided for in sold instrument or instruments but may be extended to any part of such direct, and the extended of the extended o

5. Lessee may at any time and from time to time execute and deliver to Lessor or file for record a release or releases of this lease as to any part or all of said land or of any mineral or horizon thereunder, and thereby be relieved of all obligations, as to the released acreage or interest.

- 6. Whenever used in this lease the word "operations" shall mean operations for and/or any of the following: preparing the drillsite location or access road, drilling, testing, completing, recompleting, deepening, sidetracking, plugging back or repairing of a well in search for or in an endeavor to obtain production of oil, gas, sulphur or other minerals, excavating a mine, production of oil, gas, sulphur or other mineral, whether or not in paying quambles.
- 7. Lessee shall have the use, free from royalty, of water, other than from Lessor's water wells, and of oil and gas produced from said land in all operations hereunder. Lessee shall have the right at any time to remove all machinery and fixtures placed on said land, including the right to draw and remove easing. No well shall be drilled nearer than 200 feet to the house or parn now on said land, without the consent of the Lessor. Lessee shall pay for damages caused by its operations to growing crops and timber on said land.
- 8. The rights and estate of any party hereto may be assigned from time to time in whole or in part and as to any mineral or horizon. All of the covenants, obligations, and considerations of this lease shall extend to and be binding upon the parties hereto, their heirs, successors, assigns, and successive assigns. No change or division in the ownership of said land, royalties, or other moneys, or any part thereof, however effected, shall increase the obligations or diminish the rights of Leasee, including but not limited to the location and drilling of wells and the measurement of production. Notwithstanding any other actual or constructive knowledge or notice thereof of or to Leasee, its successors or assigns, no change or division in the ownership of said land or of the royalties, or other moneys, or the right to receive the same, howevery effected, shall be briding upon the then record owner of this lease until sixty (80) days after there has been furnished to such record owner at his or its principal place of business by Lessor or Lessor's heirs, successors, or assigns, notice of such change or division, supported by either originals or duly certified copies of the instruments which have been properly field for record and which evidence such change or division, and of such observe changes of the instruments which have been properly field for record and which evidence such change or division, and of such observe changes or division, if any such change in ownership occurs by reason of the death of the owner. Leasee may, nevertheless pay or tender such royalties, or other moneys, or part incredit of the decaded in a depository bank provided for above.
- 9. In the event Lessor considers that Lessee has not complied with all its obligations herrunder, bith express and implied, Lessor shall notify Lessee in writing, setting out specifically in what respects Lessee has breached this contract. Lessee shall then have sixty (60) days after receipt of each extinct within which to meet or commence to meet all or any part of the breaches alleged by Lessor. The service of said hotics shall be proceded to the bringing of any action by Lessor on said lesse for any cause, and no such action shall be brought until the lasse of sixty (60) days after service of such notice on Lessee. Neither the service of said notice nor the doing of any acts by Lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that Lessee has failed to perform all its obligations hereunder. If this lesse is cancelled for any cause, it shall nevertheless remain in force and effect as to (1) sufficient abreage around each well as to which there are operations to constitute a drilling or maximum allowable unit under applicable governmental regulations, (but in no event less that forty acres), such acreage to be designated by Lessee as nearly accordance in the form of a square centered at the well, or in such strape as then existing spacing rules are operations. Lessee shall also have such essembles on said land as are necessary to operations on the acreage so refained and shall not be required to move or remove any existing surface lacilities necessary or convenient for current operations.
- 10. Lessor hereby warrants and agrees to defend site to said land against the claims of all persons whomsoever. Lessor's rights and interests hereunder shall be charged primarily with any mortgages, taxes or other liens, or interest and other charges on said land, but Lessor agrees that Lessee shall have the right at any time to pay or reduce same for Lessor, either before or after maturity, and be subrogated to the rights of the holder thereof and to deduct amounts so paid from royallies or other payments payable or which may become payable to Lessor anglor assigns under this lesse. If this lesse above is less interest in the bit gas, subtruit, or other minerals in all or any part of said land than the entire and undivided fee simple estate (whether Lessor's interest is herein specified or not, or no interest therein, then the royallies and other moneys accounting from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which he interest therein, if any, observed by this lease to the whole and undivided the simple estate thanen. All royally interest covered by this lease (whether or not owned by Lessor) shall be paid out of the royally herein provided. This lesse shall be birding upon each party who executes it without regard to whether it is executed by all those named herein as Lesson.
- 11. If, while this lease is in force, at, or after the expiration of the primary term hereof, it is not being continued in force by reason of the shut-in well provisions of paragraph 3 hereof, and Lessee is not conducting operations on said tand by reason of (1) any law, order, rule or regulation, (whether or not subsequently determined to be inveited or 2) any other cause, while is similar or dissimilar, (except financial) beyond the reasonable control of Lessee, the primary term hereof shall be extended until the first armiversary date hereof occurring ninety (90) or more days following the removal of such delaying cause; and this lease may be extended thereafter by operations as if such delaying cause;
- 12. Lessor agrees that this lease covers and includes any and all of Lessor's rights in and to any existing well(s) and/or wellbore(s) on said land, other than existing water wells, and for all purposes of this lease the re-entry and use by Lessee of any existing well and/or wellbore shall be deemed the same as the drilling of a new well.
- 13. Notwithstanding anything to the contrary contained in this lease, at the option of Lessee, which may be exercised by Lessee giving notice to Lessor, a well which has been drilled and Lessee intends to frac shall be deemed a well capable of producing in paying quantities and the date such well is shut-in shall be when the drilling operations are completed.
- 14. As a result of land development in the vicinity of said land, governmental rules or ordinances regarding well sites, and/or surface restrictions as may be set forth in this lease and/or other leases in the vicinity, surface locations for well sites in the vicinity may be limited and Lassee may encounter difficulty securing surface location(s) for drilling, reworking or other operations are either restricted or not allowed on each land or other leases in the vicinity, it is agreed that any such operations conducted at a surface location of of said land or off of large with which said land are pooled in accordance with his lease, provided that such operations are associated with a directional well for the purpose of drilling, reworking, producing or other operations under said land or lands pooled therewith, shall for purposes of this lease be deemed operations conducted on said land. Nothing contained in this paragraph is intended to modify any surface restrictions or pooling provisions or restrictions contained in this lease, except se expressly stated.

IN WITNESS WHEREOF, this instrument is executed on the date first above written.

LESSOR(S)  - 105 / Andrew Charles  Sose Andrew Care
Gabriela Perez
STATE OF TEXAS }  COUNTY OF (ACKNOWLEDGMENT FOR INDIVIDUAL)
This instrument was acknowledged before me on the 21 day of OCA 2009 by
Signature Notary Public
My commission expired

Page 3 of 3

# Exhibit "A"

Lot 16, Block I, of Collins Terrace, Phase 2, an addition to the City of Arlington, Tarrant County, Texas, according to the plat thereof recorded in Cabinet A, Slide 7454, of the Plat Records of Tarrant County, Texas.

This lease shall include all streets, alleyways, easements, gores and strips of land adjacent and contiguous thereto